

JAN 20 2012

FCC Mail Room

Office of the Secretary  
Federal Communications Commission  
Attention: Disability Rights Office, Room 3-B431  
445 12th Street, SW  
Washington, DC 20554

**Re: Petition for Exemption from Closed Captioning Requirements  
CG Docket No. 06-181, CGB-CC-\_\_\_\_\_**

### Introduction

The Lufkin congregation was organized in 1878 as the Methodist Episcopal Church, South. The First United Methodist Church of Lufkin continues today, 134 years later, as a vibrant, contributing member of the community, offering varied ministries to all ages. We place a special emphasis on our mission work – FUMC Lufkin has a goal of being the hands and feet of Jesus in and around town, our county, our state, our country and our world.

The title of our program is “First United Methodist this Morning” and has been on the air for over 35 years. It is a recording of our Sunday morning services containing praise and worship music as well as preaching from our pastor. Our program provides a quality uplifting church service to those who are homebound, unable to make it to church, or those who simply perusing Sunday morning programming.

“First United Methodist this Morning” is an hour-long program that airs weekly on Sunday mornings at 10:30 a.m. on KTRE Channel 9. Each episode features a fifteen to twenty minutes time of singing and worship, followed by a 25-30 minute segment of Biblical preaching. It is recorded entirely by volunteer members of First Methodist Church each Sunday. The media director oversees the weekly editing and distribution of the show to KTRE by the following Thursday.

*[Handwritten signature]*  
\_\_\_\_\_  
JAN 20 2012

Providing captioning for this program would result in significant difficulty or expense. Thus, for the reasons set forth below, FUMC Lufkin hereby requests an “economically burdensome” exemption from the closed captioning rules for “First United Methodist this Morning” pursuant to § 79.1(f) of the Commission’s rules.

### **Nature and Cost of Closed Captions**

In an effort to address the changing FCC regulations concerning closed captioning, we have received letters from companies offering to do our closed captioning. We also requested pricing information from several companies as feasible alternatives. All of these options cost at least half as much as it costs to air our program weekly. Currently, our budget allows a production cost of \$18,000, which is budgeted to cover all expenses incurred from our television ministry. We are charged \$425 per week resulting in \$11,050 total spent per year just to air our program for the 6 months we are on, the other time is used by another church, we share the time slot. All production costs are currently on a volunteer basis except for final editing, we pay \$250.00 per week for editing services and therefore do not add into the current budget allotment.

We sought help from our station provider but were told that they do not have the necessary equipment to encode our program with closed captioning. We have not been able to find any sponsorship source to finance the cost of captioning. Therefore, First Methodist would be solely responsible to provide for the additional financial requirements of the closed captioning. Based on our research, the closed caption would add an estimated cost of \$15,000 per year.

We considered adding subtitles to our programming but do not have the financial or personnel resources to transcribe an hour-long service. The only other alternative would be to purchase software to provide the closed captioning which is beyond our budget.

### **Impact on the Operation of the Program Provider**

We pay \$425 per week to air our program. From our research, adding the cost of closed captioning would add at least \$300 a week to our program. With the addition of closed captioning, the weekly production cost would experience a more than a 70% increase. Overall, the television ministry budget would need to include at least an additional \$15,000 per year.

These additional costs would reduce crucial funding for other ministries within our church and community. Ultimately, the additional costs of closed captioning would further stretch an already tight television ministry budget. These costs would make it nearly impossible for us to continue airing. Furthermore, in the tough financial situation our community and church is currently in, we would likely be forced to pull the program. The newly inflated price of production for a not-for-profit television program would make continuing financially irresponsible for this congregation.

### **Financial Resources of the Program Provider**

Attached is our tax exempt document as well as our budgeted financial statement for the twelve months ending December 31, 2011. FUMC Lufkin's primary source of income is from congregational tithing and other donations. When inquiries were made to KTRE-TV, our television service provider, we were told the station does not have the ability to add the closed caption feature to our program.

### **Type of Operations of the Program Provider**

The First United Methodist Church of Lufkin is a not for profit organization utilizing our television ministry for two fold purpose. Televising the service allows us to one, spread our Christian message throughout the local television market and two, provide access to church services for the elderly and homebound segment of the television market.

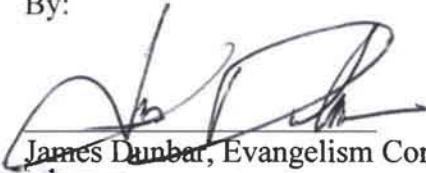
### **Conclusion**

As shown by this Petition and its attachments, the Commission should grant a waiver of the closed captioning requirements in this case, because requiring closed captioning would be economically burdensome. The costs of captioning would be excessively high and would have a significant impact on Petitioner's operations, undermining its ability to provide the program. The Petitioner's type of operations and financial resources are different in kind and magnitude from a mainstream programming provider. Because of the significant difficulty and expense of providing closed captions, a waiver under § 79.1(f) is warranted. If more information is needed, please contact me at the address provided below.

Respectfully submitted,

First United Methodist Church - Lufkin

By:

A handwritten signature in black ink, appearing to read 'James Dunbar', written over a horizontal line.

James Dunbar, Evangelism Committee Chairperson  
805 E Denman Ave  
Lufkin, Texas 75901  
(936) 639-3141  
(936) 639-3667

Dated: 1-19-12

STATE OF TEXAS  
ANGELINA COUNTY


AFFIDAVIT OF FIRST UNITED METHODIST CHURCH - LUFKIN

I, James Dunbar, being first duly sworn, depose and state:

1. I am the Evangelism Committee chairperson at First United Methodist Church, a church in Lufkin, Texas. I am over the age of 21.
2. I have reviewed the Petition for Exemption for Closed Captioning Requirements filed on behalf of First United Methodist Church, and, upon information and belief, believe the statements regarding our organization and First United Methodist this Morning to be true and accurate.

FURTHER AFFIANT SAYETH NOT.

SUBSCRIBED TO AND SWORN  
before me this 19 day of January, 2012.

  
 Notary Public  
 My Commission expires: 2-16-2014



## TEXAS SALES AND USE TAX EXEMPTION CERTIFICATION

Name of purchaser, firm or agency <b>First United Methodist Church - Lufkin</b>	
Address (Street & number, P.O. Box or Route number) <b>805 E Denman Ave</b>	Phone (Area code and number) <b>936-639-3141</b>
City, State, ZIP code <b>Lufkin, TX 75901</b>	

I, the purchaser named above, claim an exemption from payment of sales and use taxes (for the purchase of taxable items described below or on the attached order or invoice) from:

Seller: \_\_\_\_\_

Street address: \_\_\_\_\_ City, State, ZIP code: \_\_\_\_\_


Description of items to be purchased or on the attached order or invoice:

Purchaser claims this exemption for the following reason:

**Church Tax number 3-20007-0582-5**

I understand that I will be liable for payment of all state and local sales or use taxes which may become due for failure to comply with the provisions of the Tax Code and/or all applicable law.

*I understand that it is a criminal offense to give an exemption certificate to the seller for taxable items that I know, at the time of purchase, will be used in a manner other than that expressed in this certificate, and depending on the amount of tax evaded, the offense may range from a Class C misdemeanor to a felony of the second degree.*

Purchaser 	Title	Date
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NOTE: This certificate cannot be issued for the purchase, lease, or rental of a motor vehicle.

**THIS CERTIFICATE DOES NOT REQUIRE A NUMBER TO BE VALID.**

Sales and Use Tax "Exemption Numbers" or "Tax Exempt" Numbers do not exist.

This certificate should be furnished to the supplier. Do **not** send the completed certificate to the Comptroller of Public Accounts.





COMPTROLLER OF PUBLIC ACCOUNTS  
STATE OF TEXAS  
AUSTIN, 78774

September 16, 1998

Vardaman F. Johnson  
First United Methodist Church  
805 East Denman Avenue  
Lufkin, TX 75901-4829

Dear Mr. Johnson:

May it please you to know First United Methodist Church - Lufkin, Taxpayer Number 3-20007-0582-5, qualifies for exemption from state franchise tax as a religious organization effective May 26, 1998.

Since the account is being updated to reflect the exemption, you should disregard any franchise tax notices for periods that the exemption covers. If we subsequently have reason to believe that the organization no longer qualifies for exemption, we will notify the registered agent that its exempt status is under review.

This corporation also qualifies for exemption from the Texas limited sales, excise, and use tax as a religious organization. Accordingly, it may complete and issue a sales and use tax exemption certificate instead of paying sales tax when buying otherwise taxable items that relate to the organization's exempt purpose and that are not for the personal benefit of a private party or individual.

Additionally, employees traveling on official business for the organization may issue a hotel occupancy tax exemption certificate in the name of the organization instead of paying the state portion of the hotel occupancy tax. The exemption may not extend to city or county hotel occupancy tax, however. The method of paying the hotel does not affect the exemption.

Individuals or groups that are not employees of the organization, but who are traveling on official business for the organization and are claiming the hotel occupancy tax exemption, must issue the exemption certificate in the name of the organization and pay the hotel with the organization's check, its credit card, or by direct billing to the organization.

Accompanying this letter are copies of acceptable exemption certificate forms for the tax indicated on the respective certificates which you may reproduce in any quantity. A completed exemption certificate for either tax requires no number to be valid.

If your organization makes any sales of taxable items or services, please call our Tax Assistance Section toll free at 1-800-252-5555, or directly at 512/463-4600, to determine if a sales tax permit is needed.

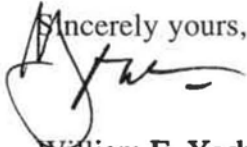
The organization must notify the Secretary of State if it changes its registered agent or its registered office address.



Vardaman F. Johnson  
First United Methodist Church  
September 16, 1998  
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If you have any questions, please call me toll free at 1-800-531-5441, extension 3-4931, or directly at 512/463-4931.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'W. York', written over the closing 'Sincerely yours,'.

William E. York  
Exempt Organizations Section

001 First United Methodist Church  
Fiscal Year Beginning 1/1/2011  
Budgeted Financial Statement for Period 12 December  
2011 Budgeted Financial Statement

<u>Description</u>	<u>Budget Annual</u>	<u>Budget for Period</u>	<u>Actual for Period</u>	<u>Variance for Period</u>	<u>Budget YTD</u>	<u>Actual YTD</u>	<u>Variance YTD</u>
<b>Receipts</b>							
2011 Budget Pledge Receipts	1,358,000.00	200,000.00	137,967.14	62,032.86	1,358,000.00	1,319,767.95	38,232.05
2011 Budget Non-Pledged Rcpt	225,000.00	25,000.00	21,125.78	3,874.22	225,000.00	208,312.40	16,687.60
Vision 20/20 Rcpts	.00	.00	.00	.00	.00	.00	.00
Church Plate	20,000.00	1,666.67	3,832.93	-2,166.26	20,000.00	23,675.69	-3,675.69
Church School	300.00	25.00	32.75	-7.75	300.00	1,314.48	-1,014.48
Other Income	20,000.00	1,666.67	77.02	1,589.65	20,000.00	70,713.40	-50,713.40
Prior Year Pledge Rcpts	.00	.00	.00	.00	.00	2,630.00	-2,630.00
Use of Designated Funds	.00	.00	.00	.00	.00	.00	.00
<b>Total Receipts and Use of Desi</b>	<b>1,623,300.00</b>	<b>228,358.34</b>	<b>163,035.62</b>	<b>65,322.72</b>	<b>1,623,300.00</b>	<b>1,626,413.92</b>	<b>-3,113.92</b>
<b>Expenses</b>							
<b>Finance &amp; Administration</b>							
Fin. & Admin. Comm.	250.00	250.00	-321.27	571.27	250.00	3,190.03	-2,940.03
Administrative Exps.	37,980.00	5,563.03	8,206.12	-2,643.09	37,980.00	49,769.61	-11,789.61
Capital Expenditures	56,130.00	56,130.00	.00	56,130.00	56,130.00	.00	56,130.00
Transportation	.00	-133.33	47.00	-180.33	.00	4,347.12	-4,347.12
Buildings & Grounds	297,975.00	35,778.08	43,536.83	-7,758.75	297,975.00	329,443.15	-31,468.15
Janitorial/Housekeeping	60,936.00	6,661.33	7,029.89	-368.56	60,936.00	64,802.84	-3,866.84
Management Information Sys	11,900.00	6,985.00	12.24	6,972.76	11,900.00	9,067.61	2,832.39
<b>Total Finance &amp; Admin</b>	<b>465,171.00</b>	<b>111,234.11</b>	<b>58,510.81</b>	<b>52,723.30</b>	<b>465,171.00</b>	<b>460,620.36</b>	<b>4,550.64</b>
<b>Stewardship</b>							
Stewardship Expenses	1,750.00	.00	512.06	-512.06	1,750.00	2,847.61	-1,097.61
<b>Total Stewardship Expenses</b>	<b>1,750.00</b>	<b>.00</b>	<b>512.06</b>	<b>-512.06</b>	<b>1,750.00</b>	<b>2,847.61</b>	<b>-1,097.61</b>
<b>Membership/Member Services</b>							
Membership	240.00	-296.67	48.88	-345.55	240.00	-2,499.47	2,739.47
Member Services (Parlor Comm)	.00	.00	.00	.00	.00	.00	.00
<b>Total Membership/Member Servic</b>	<b>240.00</b>	<b>-296.67</b>	<b>48.88</b>	<b>-345.55</b>	<b>240.00</b>	<b>-2,499.47</b>	<b>2,739.47</b>

001 First United Methodist Church  
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2011 Budgeted Financial Statement

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Connections/Appportionments							
Conference Appportionments	165,053.00	13,754.41	4,874.59	8,879.82	165,053.00	168,950.00	-3,897.00
District Appportionments	31,384.00	2,615.34	10,461.28	-7,845.94	31,384.00	31,384.00	.00
Total Connections/Appportionmen	196,437.00	16,369.75	15,335.87	1,033.88	196,437.00	200,334.00	-3,897.00
Staff Pastor Parish Comm.							
Compensation	676,284.00	55,443.64	54,926.29	517.35	676,284.00	616,152.80	60,131.20
Payroll Related Expenses	88,443.00	7,161.92	6,324.26	837.66	88,443.00	76,555.61	11,887.39
Total SPPR	764,727.00	62,605.56	61,250.55	1,355.01	764,727.00	692,708.41	72,018.59
Worship Ministries							
Contemporary Worship Min	25,450.00	2,865.81	1,049.00	1,816.81	25,450.00	16,731.84	8,718.16
Traditional Worship/Fine Arts	11,200.00	-3,432.66	725.09	-4,157.75	11,200.00	17,065.90	-5,865.90
Total Worship Ministries	36,650.00	-566.85	1,774.09	-2,340.94	36,650.00	33,797.74	2,852.26
Caring/Pastoral Care							
Bereavement Ministry	1,500.00	1,500.00	.00	1,500.00	1,500.00	314.17	1,185.83
Pastoral Care	1,200.00	283.33	10.96	272.37	1,200.00	-760.81	1,960.81
Prayer Ministry	.00	16.70	114.56	-97.86	.00	1,544.90	-1,544.90
Spiritual Growth	2,200.00	.00	241.92	-241.92	2,200.00	1,179.60	1,020.40
Stephen Ministries	400.00	400.00	.00	400.00	400.00	.00	400.00
Total Caring/Pastoral Care Min	5,300.00	2,200.03	367.44	1,832.59	5,300.00	2,277.86	3,022.14
Evangelism Ministries							
Evangelism	6,000.00	625.00	1,327.55	-702.55	6,000.00	9,602.50	-3,602.50
Communications	35,875.00	3,406.24	1,950.10	1,456.14	35,875.00	34,481.78	1,393.22
Evangelism Welcoming	4,940.00	78.33	.00	78.33	4,940.00	4,050.00	890.00
Bethlehem	3,185.00	1,300.00	2,283.21	-983.21	3,185.00	6,148.06	-2,963.06

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Description	Budget Annual	Budget for Period	Actual for Period	Variance for Period	Budget YTD	Actual YTD	Variance YTD
Total Evangelism Ministries	50,000.00	5,409.57	5,560.86	-151.29	50,000.00	54,282.34	-4,282.34
Missions Ministries							
Missions Programs	5,000.00	333.33	692.54	-359.21	5,000.00	2,447.84	2,552.16
Local Mission Support	5,500.00	458.33	96.28	362.05	5,500.00	3,707.53	1,792.47
Missionary Support	1,000.00	83.33	.00	83.33	1,000.00	.00	1,000.00
Mission Trips	10,500.00	2,500.00	-96.00	2,596.00	10,500.00	15,392.90	-4,892.90
Total Missions Ministries	22,000.00	3,374.99	692.82	2,682.17	22,000.00	21,548.27	451.73
Family Ministries							
After School Program	.00	1,974.83	4,138.23	-2,163.40	.00	-13,971.48	13,971.48
Upward Programs	.00	-1,083.34	1,482.53	-2,565.87	.00	4,127.48	-4,127.48
Christian Life Center Min	.00	500.00	-18.36	518.36	.00	-2,385.36	2,385.36
Christian Recreation	.00	-40.00	1,511.00	-1,551.00	.00	-906.05	906.05
Total Family Ministries	.00	1,351.49	7,113.40	-5,761.91	.00	-13,135.41	13,135.41
Age Level Ministries							
Education - General	4,000.00	1,216.67	99.97	1,116.70	4,000.00	5,228.76	-1,228.76
Children's Ministry	9,050.00	1,563.64	-2,967.96	4,531.60	9,050.00	11,344.83	-2,294.83
Nursery Ministry	2,700.00	278.33	315.31	-36.98	2,700.00	1,702.21	997.79
Vacation Bible School	4,225.00	202.08	100.14	101.94	4,225.00	5,328.31	-1,103.31
Confirmation	1,520.00	100.00	38.49	61.51	1,520.00	4,843.89	-3,323.89
Youth Ministry	42,900.00	12,126.34	-469.66	12,596.00	42,900.00	19,352.97	23,547.03
Boy Scouts	200.00	200.00	.00	200.00	200.00	-10.00	210.00
Young Adult Ministries	5,230.00	926.00	205.87	720.13	5,230.00	1,996.30	3,233.70
Total Age Level Ministries	69,825.00	16,613.06	-2,677.84	19,290.90	69,825.00	49,787.27	20,037.73
Other Group Ministries							
Adult Sunday School	.00	.00	80.12	-80.12	.00	2,000.57	-2,000.57
Men's Ministry	700.00	200.00	.00	200.00	700.00	651.82	48.18

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Description	Budget Annual	Budget for Period	Actual for Period	Variance for Period	Budget YTD	Actual YTD	Variance YTD
Small Group Min (5:05 at 805)	2,500.00	-865.00	4.69	-869.69	2,500.00	3,071.89	-571.89
Women's Ministry	3,800.00	563.00	741.21	-178.21	3,800.00	7,434.81	-3,634.81
Senior Adult Ministry	700.00	58.34	651.73	-593.39	700.00	1,759.11	-1,059.11
Total Other Group Ministries	7,700.00	-43.66	1,477.75	-1,521.41	7,700.00	14,918.20	-7,218.20
Other Program Ministries							
Churchwide Program Admin	2,500.00	208.34	.00	208.34	2,500.00	1,366.46	1,133.54
Archives & History	.00	.00	80.00	-80.00	.00	806.25	-806.25
Hebrews Cafe	1,000.00	1,000.00	42.44	957.56	1,000.00	3,245.35	-2,245.35
Library Ministry	.00	.00	-1,420.85	1,420.85	.00	35.66	-35.66
Total Other Program Ministries	3,500.00	1,208.34	-1,298.41	2,506.75	3,500.00	5,453.72	-1,953.72
Total Expenses	1,623,300.00	219,459.72	148,668.28	70,791.44	1,623,300.00	1,522,940.90	100,359.10
Total Revenue Over (Under) Exp	.00	8,898.62	14,367.34	-5,468.72	.00	103,473.02	-103,473.02